AMENDED IN ASSEMBLY APRIL 23, 2012 AMENDED IN ASSEMBLY APRIL 10, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1572

Introduced by Assembly Members Fletcher and Block

(Coauthor: Senator Anderson)

February 1, 2012

An act to add Section 2555.1 to the Streets and Highways Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1572, as amended, Fletcher. Service authorities for freeway emergencies: San Diego County.

Existing law authorizes a service authority for freeway emergencies to be established in any county for the purpose of funding the installation of call boxes along freeways and expressways to enable motorists in need of aid to obtain assistance. Existing law provides that a service authority may impose an annual fee of \$1 on vehicles registered in the county for this and other related purposes, which fee is collected by the Department of Motor Vehicles (DMV).

This bill, with respect to the service authority created in the County of San Diego, would provide that the \$1 fee may not be imposed or collected effective with the operative date of this bill until January 1, 2015. The bill would provide for the authority to be dissolved and for the San Diego Association of Governments (SANDAG) to become the successor authority and to assume the remaining responsibility for maintaining call boxes. The bill would limit the reserves that *SANDAG*,

AB 1572 -2-

as the successor to the authority, may be held by SANDAG, as the successor to the authority, hold at the time this bill becomes operative to \$4,000,000, and would require SANDAG to distribute, by January 1, 2013, any reserves in excess of that amount to cities in the County of San Diego, and to the county with respect to the unincorporated area of the county, in proportion to fees paid for purposes of the service authority in the 2010-11 fiscal year by residents of each city and the unincorporated area. The bill would require the excess reserves to be distributed by SANDAG by January 1, 2013, and would require the recipient jurisdictions to use these revenues to be used for public and motorist safety programs by the recipient jurisdictions the purposes for which the fees were collected. The bill would also authorize SANDAG to carry out specified projects and would require SANDAG to post its detailed budget relative to the revenues from the collection of the fee, and the expenditure of these funds, on its Internet Web site, as specified. The bill would also limit the reserves that may be held by SANDAG as the successor authority on and after January 1, 2015, to \$4,000,000.

The bill would require SANDAG to notify the DMV 6 months prior to resuming the collection of the fee if reserves are below, or are projected to be below, \$4,000,000 and would limit the resuming of collection of the fee to one entire fiscal year of the authority. The bill would also require that SANDAG reimburse the DMV for administrative costs associated with the collection of the fee, in an amount not exceeding \$50,000.

The bill would authorize SANDAG to adjust the maximum amount of reserves for inflation.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

This bill would provide that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

-3 — AB 1572

The people of the State of California do enact as follows:

SECTION 1. Section 2555.1 is added to the Streets and Highways Code, to read:

2555.1. (a) Notwithstanding Section 2555, commencing on the date this section becomes operative and continuing until January 1, 2015, no fee may be imposed by the authority created in the County of San Diego, or collected on behalf of that authority by the Department of Motor Vehicles (DMV) pursuant to Section 9250.10 of the Vehicle Code. Fee collection may, but is not required to, resume on January 1, 2015, consistent with this section.

(b) The authority, commencing

- 2555.1. (a) Commencing on the date this section becomes operative, the service authority created in the County of San Diego shall be dissolved, and, notwithstanding Section 2551, SANDAG shall become the successor to the dissolved service authority and assume the remaining—operational responsibilities for all operational, administrative, and maintenance tasks for the call box system. SANDAG shall post its detailed budget relative to the revenue received from the collection of fees pursuant to this section Section 9250.10 of the Vehicle Code, and the expenditures of these funds, on its Internet Web site.
- (c) (1) The maximum in reserves that may be held by SANDAG as the successor to the authority in the County of San Diego from fees collected prior to suspension of fee collection pursuant to subdivision (a) shall be four million dollars (\$4,000,000). In addition to the projects described in subdivisions (a) to (e), inclusive, of Section 2557, these reserve funds may only be used for projects of a type listed in subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision (d) of that section.

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(b) Any reserves in excess of four million dollars (\$4,000,000) held by the authority on the date this section becomes operative shall be distributed to cities in the County of San Diego, and to the county with respect to the unincorporated area of the county, in proportion to fees paid pursuant to Section 2555 in the 2010–11 fiscal year by residents of each city and the unincorporated area. SANDAG, as the successor authority, shall distribute the funds on or before January 1, 2013. The distributed funds shall be used

AB 1572 —4—

by the recipient jurisdictions solely for public and motorist safety
 purposes in compliance with Section 2557.

- (d) The maximum in reserves that may be held by SANDAG as the successor to the authority at any time after January 1, 2015, shall be four million dollars (\$4,000,000). In addition to the projects described in subdivisions (a) to (c) of Section 2557, inclusive, these reserve funds may only be used for projects of a type listed in subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision (d) of that section. Any amount in excess of four million dollars (\$4,000,000) shall thereafter be distributed, within one year of accrual of the excess, to cities in the County of San Diego and to the county in the same manner as specified in paragraph (2) of subdivision (b). The distributed funds shall be used by the recipient jurisdictions solely for public and motorist safety purposes.
- (e) If the reserves are below, or are projected to be below, four million dollars (\$4,000,000), SANDAG shall notify the DMV at least six months prior to the beginning of its next fiscal year that collection of fees by the DMV shall resume pursuant to subdivision (a). Fee collection may be resumed only for one entire fiscal year of SANDAG. SANDAG shall reimburse the DMV for administrative costs not to exceed fifty thousand dollars (\$50,000) associated with the collection of fees pursuant to subdivision (a) and Section 9250.10 of the Vehicle Code.
- (f) SANDAG may adjust the four-million-dollar (\$4,000,000) limit on reserves specified in subdivisions (b) and (e) for inflation based on the California Consumer Price Index.
- SEC. 2. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.
- SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:
- In order to provide for temporary reduction of unnecessary vehicle registration fees SANDAG to absorb the responsibilities of the authority in the County of San Diego as quickly as possible, for the speedy redistribution of excess reserves held by the

__5_ **AB 1572**

- authority, and for preservation of the authority's remaining reserve
 funds, it is necessary that this act take effect immediately.